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9
10 **IN THE UNITED STATES BANKRUPTCY COURT**

11 **FOR THE DISTRICT OF ARIZONA**

12 In re:

13 STEVE PANDI and EILEEN A
14 QUEZADA,

15
16 Debtors.

17 (In Proceedings under Chapter 7)

18 Case No.: 2:16-bk-11585-SHG

19
20 **OBJECTION TO PROOF OF CLAIM**
21 **NO. 17 FILED BY GEORGE PANDI**
22 **AND NOTICE OF BAR DATE TO**
23 **RESPOND TO OBJECTION**

24 **NOTICE IS HEREBY GIVEN AS FOLLOWS:**

25 (1) Claimant George Pandi has fourteen (14) days from service of this Objection to
26 file and serve a response to this objection and (2) if a timely response is not filed and served,
27 the objection may be sustained by the court without further notice or hearing and (3) should

1 **no timely response be filed and served, Objectors will request that, of the alternative forms of**
2 **relief requested below, that the First Basis be sustained.**

3
4 Come Now, SAMT 2009, LLC, Ross Family Holdings, LLC and Entrepreneur
5 Opportunity Fund I, LP (“Creditors”), by and through their counsel undersigned, and hereby
6 Object to Proof of Claim No. 17 filed by George Pandi on February 13, 2017. This Objection
7 is filed in accordance with Rule 3007-1, Local Rules of Bankruptcy Procedure for the District
8 of Arizona, and 11 U.S.C. § 502.

9
10 There are multiple bases under 11 U.S.C. § 502 for this objection.

11
12 **1. First Basis.**

13 The claim of George Pandi should be disallowed, in toto, in accordance with 11 U.S.C.
14 § 502(b)(1) because it is unenforceable as a result of lack of consideration. The claim asserts
15 an original obligation in the amount of \$463,751.84 as a result of a promissory note and deeds
16 of trust executed on May 13, 2014. Creditors assert that there was no valid consideration given
17 in exchange for the promissory note, and hence, there is no consideration for the debt, resulting
18 in an unenforceable obligation.

19
20 **2. Second Basis.**

21 The claim of George Pandi should be disallowed, in toto, in accordance with 11 U.S.C.
22 § 502(a)(1) because it has been satisfied. In April, 2016, attorney Donald W. Hudspeth issued a
23 letter to debtor Steve Pandi, which included the following language: “Pursuant to A.R.S. § 47-
24 9620 George Pandi hereby gives notice of his intent to accept said collateral as full payment
25 and satisfaction of the debt.” The notice was thereafter signed by Steve Pandi and became
26
27
28

1 effective, thereby satisfying the debt of \$463,751.84. The debt was thereby extinguished and
2 the note and deeds of trust are therefore unenforceable against the debtor. George Pandi should
3 have released the Deeds of Trust and UCC filing allegedly securing this debt.
4

5 **3. Third Basis.**

6 The claim of George Pandi should be disallowed, in toto, in accordance with 11 U.S.C.
7 § 502(d) because George Pandi is a transferee of a transfer avoidable under section 547 of this
8 title. I.E., in April, 2016, less than one year prior to the filing of this bankruptcy on October 7,
9 2016, George Pandi, an insider, caused to be transferred to him, substantial inventory which
10 was within the possession and control of the debtor. No appraisal of the seized (“transferred”)
11 inventory has been provided. Creditor estimated the value of said inventory at \$80,000.00, but
12 debtor has valued it as high as \$351,000.00 in the past. Because this inventory, or its financial
13 equivalent, is recoverable from George Pandi in accordance with 11 U.S.C. § 547, Claim No.
14 17 must be disallowed, in toto, in accordance with 11 U.S.C. § 502(d).
15

16 **4. Fourth Basis, partial release.**

17 If the Court does not see fit to grant a full denial of Claim No. 17 as requested in Bases
18 1, 2 or 3, then it should strike portions of the claim that are unsubstantiated, duplicative, or
19 otherwise not legally allowable. The following discrepancies to the loan disbursements
20 document are noted: (Please refer to Attachment 8 of Claim 17 which appears to be the alleged
21 disbursements record, presumably to establish the original note amount of \$463,751.84):
22
23

24 Page One of said Attachment 8
25
26

- 1 a. Shows two transactions with the same transaction ID# on July 25, 2013. I.E.
2 transaction no. 22674 is assigned to a \$40,000.00 wired amount to Souzou
3 Industrial-China. It is also assigned to a \$7,700.00 wired amount to Jumpin
4 Jammerz L.L.C. Due to this blatant error, both amounts, totaling \$47,700.00
5 should be disallowed.
- 6 b. Shows two transactions with the same transaction ID# on August 3, 2013. I.E.
7 transaction no. 352384 is assigned to two \$17,000.00 wired amounts to
8 Jumpin Jammerz L.L.C. Accordingly, both amounts, totaling \$34,000.00
9 should be disallowed.
- 10 c. Shows two transactions with the same transaction ID# on March 11, 2014. I.E.
11 transaction ID # 309383 is assigned to a wired transaction in the amount of
12 \$6,000.00 to Entrepreneur Opportunity Funds. The same transaction ID # is
13 assigned to a wired transaction in the amount of \$2,100.00 to PLU Investment
14 LLC. Accordingly, both amounts, totaling \$8,100.00 should be disallowed.

15 Page 2 of said Attachment 8:

- 16 d. Shows a total of \$34,500.00 in transactions between June 21, 2014 and
17 September 15, 2016. These amounts were all allegedly disbursed AFTER the
18 Notes and Deeds of Trust in the proof of claim. Each was executed on May
19 13, 2014 and included the following language on both deeds of trust: at Page
20 2, Item C.: "Payment of additional sums and interest thereon which may
21 hereafter be loaned to Trustor, or his successors or assigns, when evidenced

1 by a promissory note or notes reciting that they are secured by this Deed of
2 Trust.” A review of the proof of claim and all of its attachments does not
3 reveal a promissory note issued after May 13, 2017. Accordingly, this
4 \$34,500.00 in disbursements cannot be attributed to this alleged secured
5 claim, and therefore must be disallowed.

6
7 The total of all alleged disbursements on Attachment 8 (including the post May 13, 2017
8 disbursements, as well as the duplicative transactions set forth above) amounts to \$404,684.78,
9 not the note amount of \$463,751.84. This is an excess amount of \$59,067.06 which should be
10 disallowed.

11
12 Accordingly, the amounts calculated as excess, duplicative, and errors amount to
13 \$183,367.06. As such, this amount should be deducted from the original note amount of
14 \$463,751.84, giving us a loan start amount of \$280,384.78, which should reduce the claim
15 accordingly.

16
17 Each of the above bases for this objection are independent, alternative bases for the court
18 to disallow claim No. 17 of George Pandi, either in full, or in part, as described in Basis Four.

19
20 WHEREFORE, Objectors respectfully request that this Honorable Court rule in favor of
21 them in regards to any one of the alternative forms of relief, and for such other relief as may be
22 deemed just and necessary under the circumstances.

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24
25 **NOTICE IS HEREBY GIVEN AS FOLLOWS:**

26
27 (1) **Claimant George Pandi has fourteen (14) days from service of this Objection to**

file and serve a response to this objection and (2) if a timely response is not filed and served,
the objection may be sustained by the court without further notice or hearing and (3) should
no timely response be filed and served, Objectors will request that, of the alternative forms of
relief requested below, that the First Basis be sustained.

DATED this 19th day of July, 2017.

GOLDMAN & ZWILLINGER PLLC

/s/ Vincent R. Mayr

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*Attorneys for Creditors, SAMT 2009 LLC (“SMT”),
Ross Family Holdings, L.L.C (“Ross”) and
Entrepreneur Opportunity Fund I, LP (“EOF”)*

CERTIFICATE OF SERVICE

I, hereby certify that on July 19, 2017, I electronically transmitted the foregoing Objection to the Clerk's office using the CM/ECF system for filing and transmittal of a Notice of Electronic Filing to the registrants below. In cases where no email address is provided, a full copy of this Objection, Notice of Bar Date to Object Thereto, and this Certificate of Service (all included within this one document) was mailed either by first class, U.S. Mail, or by First Class International Mail (in the case of Canadian addresses):

George Pandi
1 Somerset Crescent
Richmond Hill, ON L4C 8N2
Canada

Claimant
Full Document mailed by international mail AND sent via email this date to:
politis40@hotmail.com

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24 /s/ Jessica Frew
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